

111TH CONGRESS  
1ST SESSION

# H. R. 1045

To amend the District of Columbia Home Rule Act to eliminate all Federally-imposed mandates over the local budget process and financial management of the District of Columbia and the borrowing of money by the District of Columbia.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 12, 2009

Ms. NORTON introduced the following bill; which was referred to the  
Committee on Oversight and Government Reform

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## A BILL

To amend the District of Columbia Home Rule Act to eliminate all Federally-imposed mandates over the local budget process and financial management of the District of Columbia and the borrowing of money by the District of Columbia.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “District of Columbia  
5       Budget Autonomy Act of 2009”.

1 **SEC. 2. TERMINATION OF FEDERAL MANDATES OVER**  
 2 **LOCAL BUDGET PROCESS AND FINANCIAL**  
 3 **MANAGEMENT OF DISTRICT OF COLUMBIA.**

4 (a) TERMINATION OF MANDATES.—

5 (1) IN GENERAL.—Part D of title IV of the  
 6 District of Columbia Home Rule Act (sec. 1–204.41  
 7 et seq., D.C. Official Code) is amended by adding at  
 8 the end the following new subpart:

9 “Subpart 3—Termination of Federal Mandates

10 “TERMINATION OF FEDERAL MANDATES

11 “SEC. 458. (a) BUDGET AND FINANCIAL MANAGE-  
 12 MENT GOVERNED UNDER DISTRICT LAW.—Effective with  
 13 respect to fiscal year 2010 and each succeeding fiscal year  
 14 which is not a control year—

15 “(1) the provisions of subpart 1 (other than  
 16 section 451) and subpart 2 (other than section 455)  
 17 shall not apply; and

18 “(2) the process by which the District of Co-  
 19 lumbia develops and enacts the budget for the Dis-  
 20 trict government for a fiscal year, and the activities  
 21 carried out with respect to the financial management  
 22 of the District government for a fiscal year, shall be  
 23 established under such laws as may be enacted by  
 24 the District.

25 “(b) NO EFFECT ON EXISTING OBLIGATIONS.—  
 26 Nothing in this section may be construed to relieve the

1 District of Columbia of any contractual or other financial  
 2 obligations incurred by the District under a budget en-  
 3 acted for a fiscal year prior to fiscal year 2010.”.

4 (2) CLERICAL AMENDMENT.—The table of con-  
 5 tents of such Act is amended by adding at the end  
 6 of the items relating to part D of title IV the fol-  
 7 lowing:

“Subpart 3—Termination of Federal Mandates

“Sec. 458. Termination of Federal mandates.”.

8 (b) ELIMINATION OF CONGRESSIONAL REVIEW PE-  
 9 RIOD FOR BUDGET ACTS.—Section 602(c) of such Act  
 10 (sec. 1–206.02(c), D.C. Official Code) is amended—

11 (1) in the second sentence of paragraph (1), by  
 12 striking “paragraph (2)” and inserting “paragraphs  
 13 (2) and (4)”;

14 (2) by adding at the end the following new  
 15 paragraph:

16 “(4) In the case of any Act adopting the annual budg-  
 17 et for the District of Columbia government for fiscal year  
 18 2010 or any succeeding fiscal year which is not a control  
 19 year, such Act shall take effect upon the date prescribed  
 20 by such Act.”.

21 **SEC. 3. TERMINATION OF FEDERAL MANDATES OVER BOR-**  
 22 **ROWING OF MONEY.**

23 (a) TERMINATION OF MANDATES.—

1           (1) IN GENERAL.—Part E of title IV of the  
 2       District of Columbia Home Rule Act (sec. 1–204.61  
 3       et seq., D.C. Official Code) is amended by adding at  
 4       the end the following new subpart:

5       “Subpart 6—Termination of Federal Mandates

6           “TERMINATION OF FEDERAL MANDATES

7       “SEC. 490A. (a) BORROWING GOVERNED UNDER  
 8       DISTRICT LAW.—Except as provided in subsection (b), ef-  
 9       fective with respect to fiscal year 2010 and each suc-  
 10      ceeding fiscal year which is not a control year—

11           “(1) the provisions of subparts 1 through 5  
 12      shall not apply; and

13           “(2) the process and rules by which the District  
 14      of Columbia issues bonds or otherwise borrows  
 15      money shall be established under such laws as may  
 16      be enacted by the District.

17       “(b) EXCEPTION FOR CERTAIN PROVISIONS.—Sub-  
 18      section (a) does not apply with respect to the following  
 19      sections:

20           “(1) Section 482 (relating to the full faith and  
 21      credit of the District).

22           “(2) Section 484 (relating to the nonapplica-  
 23      bility of the full faith and credit of the United  
 24      States).

1 “(3) Section 485 (relating to the tax treatment  
2 of bonds and notes).

3 “(4) Section 486 (relating to legal investment  
4 in bonds and notes).

5 “(c) RULE OF CONSTRUCTION.—Nothing in this sec-  
6 tion may be construed—

7 “(1) to relieve the District of Columbia of any  
8 obligation incurred with respect to bonds or other  
9 forms of borrowing issued prior to fiscal year 2010;  
10 or

11 “(2) to waive the application to the District of  
12 Columbia of any other Federal law governing the  
13 borrowing of funds by States or units of local gov-  
14 ernment, including the Internal Revenue Code of  
15 1986.”.

16 (2) CLERICAL AMENDMENT.—The table of con-  
17 tents of such Act is amended by adding at the end  
18 of the items relating to part E of title IV the fol-  
19 lowing:

“Subpart 6—Termination of Federal Mandates

“Sec. 490A. Termination of Federal mandates.”.

20 (b) REPEAL OF CAP ON AMOUNT OF DISTRICT BOR-  
21 ROWING.—Section 603(b) of such Act (sec. 1–206.03(b),  
22 D.C. Official Code) is amended by adding at the end the  
23 following new paragraph:

1 “(4) Paragraphs (1) through (3) shall not apply with  
 2 respect to fiscal year 2010 or any succeeding fiscal year  
 3 which is not a control year.”.

4 **SEC. 4. OTHER CONFORMING AMENDMENTS RELATING TO**  
 5 **CHANGES IN FEDERAL ROLE IN BUDGET**  
 6 **PROCESS.**

7 (a) **FEDERAL AUTHORITY OVER BUDGET-MAKING**  
 8 **PROCESS.**—Section 603(a) of the District of Columbia  
 9 Home Rule Act (sec. 1–206.03, D.C. Official Code) is  
 10 amended by inserting before the period at the end the fol-  
 11 lowing: “for a fiscal year which is a control year”.

12 (b) **RESTRICTIONS APPLICABLE DURING CONTROL**  
 13 **YEARS.**—Section 603(d) of such Act (sec. 1–206.03(d),  
 14 D.C. Official Code) is amended to read as follows:

15 “(d) In the case of a fiscal year which is a control  
 16 year, the Council may not approve, and the Mayor may  
 17 not forward to the President, any budget which is not con-  
 18 sistent with the financial plan and budget established for  
 19 the fiscal year under subtitle A of title II of the District  
 20 of Columbia Financial Responsibility and Management  
 21 Assistance Act of 1995.”.

22 (c) **DEFINITION.**—Section 603(f) of such Act (sec. 1–  
 23 206.03(f), D.C. Official Code) is amended to read as fol-  
 24 lows:

1       “(f) In this section, the term ‘control year’ has the  
2 meaning given such term in section 305(4) of the District  
3 of Columbia Financial Responsibility and Management  
4 Assistance Act of 1995.”.

5       (d) EFFECTIVE DATE.—The amendments made by  
6 this section shall apply with respect to fiscal year 2010  
7 and each succeeding fiscal year.

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